

HEALTH SYSTEM REFORM TASK FORCE DUTIES

(Excerpt from 2009 H.B. 188)

Section 34. Duties -- Interim report.

- (1) The committee shall review and make recommendations on the following issues:
 - (a) the state's progress in implementing the strategic plan for health system reform as described in Section 63M-1-2505;
 - (b) the implementation of statewide demonstration projects to provide systemwide aligned incentives for the appropriate delivery of and payment for health care;
 - (c) the development of the defined contribution arrangement market and the plan developed by the risk adjuster board for implementation by January 1, 2012, including:
 - (i) increased selection of health benefit plans in the defined contribution market;
 - (ii) participation by large employer groups in the defined contribution market; and
 - (iii) risk allocation in the defined contribution market;
 - (d) the operations and progress of the Internet portal;
 - (e) mechanisms to increase transparency in the market, including:
 - (i) developing measurements and methodology for insurers to provide medical loss ratios as a percentage of premiums; and
 - (ii) administrative overhead as a percentage of total revenue;
 - (f) the implementation and effectiveness of insurer wellness programs and incentives, including outcome measures for the programs; and
 - (g) clarification from the U.S. Department of Labor regarding whether the federal Health Insurance Portability and Accountability Act, federal ERISA laws, and the Internal Revenue Code will permit an employer to offer pre-tax income to an individual for the purchase of a health benefit policy in the defined contribution market and allow the individual to purchase a health benefit policy that:
 - (i) is owned by the individual, separate from the employer group plan; and
 - (ii) is not subject to the employment relationship with the employer and is therefore fully portable;
 - (h) development of strategies for promoting health and wellness and highlighting the health risks associated with such things as obesity and sedentary lifestyles;
 - (i) providing greater transparency for consumers by:
 - (A) increasing the ability of individuals to obtain pre-service estimates from health care providers;
 - (B) determining, with providers, payers, and consumers how to make the insurance explanation of benefits more understandable;
 - (C) determining if the terminology used by insurers regarding copayments, deductibles, and cost sharing can be standardized or made more understandable to consumers and providers; and

- (D) developing with providers and insurers a more efficient process for pre-authorization from an insurer for a medical procedure;
 - (j) the nature and significance of cost shifting between public programs and private insurance, and exploring strategies for reducing the level of the cost shift;
 - (k) the role that the Public Employees Health Program and other associations that provide insurance may play in the defined contribution market portal;
 - (l) the development of strategies to keep community leaders, business leaders, and the public involved in the process of health care reform;
 - (m) the development of a process to help the public understand the circumstances underlying significant cost increase within the healthcare market or regional treatment variances; and
 - (n) the consideration of insurance reimbursement disincentives for a healthcare provider to choose the most effective and efficient treatment method for a patient.
- (2) A final report, including any proposed legislation shall be presented to the Business and Labor Interim Committee before November 30, 2009.